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SUBJECT: PART-TIME WORK PROMOTES WOMEN'S LABOR PARTICIPATION;
HINDERS CAREER ADVANCEMENT

¶1. (U) Summary. Participation of women in the workforce in the Netherlands has increased substantially in the last 15 years. During mid-February meetings with a visiting Government Accountability Office (GAO) delegation, government, academic, and labor union experts highlighted some of the complex issues affecting in workforce participation for women. Practices and policies which enable part-time work and the use of child care have increased female participation in the workforce. Part-time work, however, also hinders the advancement of women within their careers. Legislation on these issues traditionally codifies rather than forces change in prevailing labor market practices. End Summary.

¶2. (U) GAO visited the Netherlands as part of a congressionally requested multi-country study on policies and practices to increase the workforce participation of women and low-wage/low-skilled workers. The consensus among those consulted was that labor participation rates for women have increased significantly (from 29% to 65% between 1980 and 2005) and the growth of part-time employment has been an important factor in that increase. According to Peter Stein, Director of Work and Care at the Ministry of Social Affairs and Employment, approximately 54% of women work 12 or more hours per week at a paid job. Estimates vary, however, and some reports indicate that the percentage of those working at least 12 hours per week is closer to 65%. Of the women employed, almost three-quarters work part time (fewer than 35 hours per week). Roughly half of women employed part time work 3 to 4 days a week. Many women start their careers working full time, and when they begin to have children, they reduce their hours to part-time in order to care for their children. Dr. Wiemer Salverda with the Amsterdam Institute for Advanced Labor Studies said that the option of working reduced hours is particularly beneficial in keeping high-skilled women in the work force. Many professional women choose to remain in their current positions on a part-time basis rather than the alternative of leaving the workforce altogether while their children are young and returning at a later date in lower skilled (and lower paid) positions. According to a January 2007 Social Affairs Ministry report, however, 11% of working women do give up their jobs completely upon the birth of their first child.

¶3. (U) Part-time work is generally not viewed negatively in the Netherlands. It is accompanied by pro-rated benefits, and can be highly paid. A common pattern is for a woman to reduce her working hours to three days a week, and to use childcare for those three days. Approximately 20% of men work part time, and several experts indicated that part of the motivation for this is to share in the child care responsibilities.

¶4. (U) The status of part-time workers was further solidified with the adoption of the Equal Treatment Act (Full-time and Part-time workers) of 1996, and the Working Hours Adjustment Act of 2000, which gave employees the right to increase or reduce their hours.

Additional practices and recent policies involving childcare and leave benefits have further facilitated women's participation in the workforce. For example, the Work and Care Act of 2001 and 2004 sickness benefits legislation mandated additional "family friendly" benefits such as more flexible parental leave and paid "calamity leave" which may be utilized for care of a sick child or other personal circumstances.

¶ 15. (U) Beginning in the 1990s, unions and employers have negotiated collective bargaining agreements which include employer and government subsidies for childcare. In the last two years, government policies have greatly simplified the procedure for obtaining subsidized childcare. As of January 1, 2007, this streamlined process requires employers to pay a higher social security tax into a social contributions fund, from which the government provides childcare subsidies; previously, most employers provided child care subsidies directly to their own employees. According to Stein, the government (through the social contributions fund) now pays a minimum of 33% of childcare costs for working families in the Netherlands. This increases to a maximum of 95% of childcare costs for low-income families.

Barriers to Participation

¶ 16. (U) Lucia van Westerlaak, Policy Advisor for Women's Affairs, at the Federation of Dutch Trade Unions (FNV), the largest union confederation in the Netherlands, suggested that although the ability to work part-time has enabled more women to enter, and remain in, the workforce, there is still a need for a "paradigm shift." Many women, as well as men, in the Netherlands feel that child care is primarily a woman's responsibility. Several experts mentioned the "strong motherhood culture" in the Netherlands as a factor in the decision by many women to stay at home full or part-time while raising children. According to the University of

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Utrecht researchers, many women would choose to stay home even if child care were completely free. Importantly, Utrecht researchers and Dr. Salverda noted that once their children are grown, working mothers may increase their hours slightly but do not generally return to full-time work.

¶ 16. (U) Several experts indicated that despite its benefits and wide-spread acceptance, working part-time can be detrimental to women's careers. For example, top-level management positions are nearly always full-time jobs. While some government middle-management positions can be part-time, according to Stein, this is not usually the case in the private sector. Van Westerlaak added that part-time workers are sometimes viewed as not having high levels of commitment to their companies. Ronald de Leij from the General Employers Association Netherlands (AWVN), the largest employers association in the Netherlands, supported this view in saying that use of leave over and over again does not help women advance in the workforce.

Policy follows Practice

¶ 17. (U) Nearly all the experts interviewed by the GAO team commented that it is difficult to determine the actual impact of labor legislation on these issues, because the legislation nearly always follows practice. Both part-time work and childcare practices began decades before the government passed legislation mandating such provision. Stein stated that in the Netherlands, law generally adjusts to the prevailing social consensus.

Blakeman